

Draft Language of Option 2

1 Amend 2 Cal. Code Regs. Section 18525:

2
3 **18525. Incumbent Candidates' (Other than Candidates for Elective State Office or**
4 **Statewide Elective Office) Election Expenses and Officeholder Expenses.**

5
6 (a) An incumbent elected officer shall make expenditures for the following
7 campaign expenses from the appropriate campaign bank account for election to a future
8 term of office:

9 (1) Payments for fundraising and campaign strategy expenses for election to a
10 future term of office.

11 (2) Payments for mass mailings, political advertising, opinion polls or surveys,
12 and other communications in connection with election to a future term of office. For
13 purposes of this section, a mass mailing, political advertisement, opinion poll or survey,
14 or other communication shall be considered "in connection with election to a future term
15 of office" if it makes reference to the officer's future election or status as a candidate for
16 a future term of office, or if it is made by an incumbent officer within 3 months prior to
17 an election for which he or she has filed any of the following:

18 (A) A statement of intention to be a candidate for a specific office, pursuant to
19 Government Code Section 85200.

20 (B) A declaration of candidacy or nomination papers, as specified in Chapter 1
21 (commencing with Section 8000) of Division 8 of the Elections Code.

22 (C) Any other documents necessary to be listed on the ballot as a candidate for
23 any state or local office.

24 (3) Payments for services and actual expenses of political consultants, the
25 campaign treasurer and other campaign staff, pollsters and other persons providing
26 services directly in connection with a future election.

1 (4) Payments for voter registration and get-out-the-vote drives.

2 (5) Payments for any other expenses that count toward the applicable expenditure
3 limits of Government Code section 85400 and California Code of Regulations, Title 2,
4 section 18540.

5 (6) Contributions to other candidates.

6 (b) An incumbent elected officer may make expenditures for purposes not
7 enumerated in subdivision (a) from either the campaign bank account established
8 pursuant to Government Code Section 85201 for election to the incumbent term of office
9 or from a campaign bank account established pursuant to Government Code Section
10 85201 for election to a future term of office. This section shall not be construed to permit
11 an incumbent elected officer to make expenditures from any campaign bank account for
12 expenses other than those associated with his or her election to the specific office for
13 which the account was established and expenses associated with holding that office.

14 (c) Notwithstanding subdivisions (a) and (b) above, campaign funds held in a
15 committee and campaign bank account which was established for an election to elective
16 state office or statewide elective office held on or after January 1, 2001, may only be used
17 as follows:

18 (1) Any campaign funds held in the account must first be used to pay campaign
19 debts as set forth in Government Code section 85316 and Code of Regulations, Title 2,
20 section 18531.6.

21 (2) Any funds remaining after payment of debt may be used for any expenditure,
22 other than “campaign expenditures,” as defined in California Code of Regulations, Title
23 2, section 18525(a).

1 (d) Notwithstanding subdivisions (a), (b) and (c) above, campaign funds held in a
2 committee and campaign bank account which was established for an election to elective
3 state office or statewide elective office held prior to January 1, 2001, may only be used
4 for expenditures that are not “campaign expenditures,” as defined in California Code of
5 Regulations, Title 2, section 18525(a).

6 (e) Nothing in this section shall be construed to permit any expenditure that does
7 not meet the requirements of Article 4 of the Political Reform Act regulating the
8 appropriate use of campaign funds (Government Code sections 89510 - 89522.)

9 (f) Nothing in this regulation should be construed to apply to or supersede
10 California Code of Regulations, Title 2, section 18536.1 as it regulates contributions
11 received after an election.

12 NOTE: Authority cited: Section 83112, Government Code.

13 Reference: Sections 85201, 85301, 85302, and 89510-89522, Government Code.